

DRAFT

Skidmore College Standards of Business Conduct Policy

Skidmore College is committed to the highest standards of excellence and integrity in carrying out its educational mission and all aspects of its operations. As one particular aspect of that commitment, every member of the campus community who is engaged in activities related to his or her employment at the College or who is engaged in any transaction involving or related to College assets is expected to adhere to the Standards of Business Conduct set forth below.

These Standards of Business Conduct incorporate ethical and legal principles reflected in many separate policies and procedures of the College, including but not limited to the *Faculty Handbook* and the *Exempt and Non-Exempt Employee Handbook*. The Standards also reflect ethical and legal principles articulated by external agencies and bodies with which the College must comply. Although the obligations set forth in this document are derived in part from external legal and regulatory requirements, they are fundamentally a reflection of the type of institution and community Skidmore College expects itself to be.

For purposes of this policy, the following general definitions apply:

“Skidmore community” or “campus community” includes all College employees (including the President, President’s Cabinet, faculty members, and staff members).¹

“Business” means any activity related to an individual’s employment at the College, activities while representing the College, services rendered while under contract with the College, or any transaction involving or related to College assets.

The Standards of Business Conduct, which govern the conduct of all members of the Skidmore community, are as follows:

1. **Ethical conduct.** Skidmore community members are expected to conduct themselves ethically, honestly, and with integrity in all business dealings. They are expected to be fair and principled in their business interactions and to act in good faith in these matters with others both inside and outside the campus community. They are expected to act with due recognition of their position of trust and loyalty with respect to the College and its research sponsors, donors, and others with whom the College has valued, established relationships.

¹ Expectations for behavior of students in general are set forth in the *Student Handbook* (including the Skidmore Honor Code).

2. **Respect for others.** All members of the Skidmore community are expected to respect the rights and dignity of others regardless of their differences and must abide by the principles of nondiscrimination and anti-harassment adopted by the College.
3. **Individual responsibility and accountability.** Skidmore community members are expected to assume and exercise responsibility appropriate to their positions and roles. Community members are accountable to each other, to the College, and to themselves for their actions and their decisions not to act. They are expected to exercise sound business judgment in the performance of their responsibilities, to the best of their ability. When roles or responsibilities are unclear, individuals should take it upon themselves to obtain clarity. (See below, “Further guidance on this policy.”)
4. **Conflicts of interest.** The College recognizes that community members exercise responsibilities in a variety of roles, including consulting and other external activities. These activities contribute to professional development of individuals, support Skidmore’s educational mission, and enhance the reputation of the College. In all of these activities, community members engaged in College business must consider in advance and avoid improper conflicts of interest. Conflicts of interest must be disclosed, reviewed, and either be eliminated or resolved appropriately with written documentation. The College’s expectations regarding these matters are set forth in full in its Conflict of Interest Policy (see Attachment A).
5. **Conflicts of commitment.** All Skidmore employees are expected to fulfill their responsibilities to the College. Members of the faculty or staff considering external activities must consider in advance whether such activities might interfere with the performance of their College duties and thus create a conflict of commitment. Members of the faculty and staff are expected to discuss potential conflicts of commitment with their department chairperson, program director, Dean of the Faculty/Vice President for Academic Affairs, supervisor, or other College official as appropriate. The College’s expectations regarding these matters are set forth in full in its Conflict of Commitment Policy (see Attachment B).
6. **Compliance with applicable laws and regulations.** The College carries out its mission in a heavily regulated environment, and compliance with laws is important as a matter of principle. Campus community members should recognize that noncompliance may have severe adverse financial and other consequences, potentially affecting the reputation and operations of the College. Community members must comply with federal, state, and local laws and regulations that apply to the performance of their duties and fulfillment of their responsibilities at the College. All community members have the responsibility to inform themselves, through College sources and independently, about relevant legal obligations and to keep current with changes in applicable law.

7. **Compliance with applicable College policies and procedures.** The College has established policies and procedures for managing its business and other operations. Some policies and procedures are required by law; some reflect institutional standards or commitments that go beyond the law; some are prudential; and some are managerial, designed to promote smooth and coordinated business operations. Community members are expected to inform themselves about and comply with all applicable College policies and procedures posted on the College's website or otherwise promulgated by the College, including but not limited to those set forth in the *Faculty Handbook* and the *Exempt and Non-Exempt Employee Handbook*.
8. **Compliance with contractual, grant, and other formal obligations.** In the course of its operations, the College frequently undertakes contractual and other formal obligations to outside entities. These obligations are embodied, for example, in commercial contracts for the purchase of goods or services, software licenses, grant award instruments, research agreements and subcontracts, material transfer and other intellectual property agreements, gift indentures, memoranda of understanding with other organizations, and similar instruments. Skidmore community members are expected to adhere to and act in good faith with regard to all applicable obligations assumed by the College. Community members also are expected to follow applicable laws, regulations, and College processes regarding the delegation of and/or authority to enter into such agreements on behalf of the College.
9. **Stewardship of property and funds.** As stewards of College property and funds with a responsibility to contributors to the College (including private individuals and entities as well as federal, state, and local agencies), Skidmore community members are expected to treat College property with due care appropriate to the property in use, and must expend College funds prudently and in accordance with the terms of any applicable funding agreement. Campus community members are expected to use College property responsibly and consistent with the tax-exempt status conferred on the College in light of its educational mission. They must avoid waste and improper use and must not use College funds, property, or facilities for their personal benefit or for the benefit of a non-College organization without prior approval by an appropriately authorized institutional official.
10. **Appropriate treatment of confidential information.** In their various capacities, Skidmore community members may become privy to confidential information of many different types. Examples of such information include but are not limited to information concerning students, employees, or research sponsors; proprietary information of an enterprise licensing Skidmore intellectual property; or other information subject to contractual or legislated obligations of confidentiality. Individuals are expected to inform themselves about applicable obligations and to maintain the confidentiality of such information, safeguarding it and using it only as any applicable restrictions permit.

- 11. Recording, allocating, and charging costs and effort.** The accuracy and reliability of financial and effort reports associated with grants and other external funding (including, where appropriate, gifts to the College for a specified purpose) are of paramount importance to the business operations of the College. At all times, Skidmore community members must record, allocate, and charge costs and effort accurately and maintain supporting documentation as required by established policies and procedures.
- 12. Internal controls.** Internal controls provide the keystone of sound business practices. These controls include adequate segregation of duties, diligent application of preventive and detective control systems, and conscientious compliance with authorization, reporting, and other established processes. Internal controls are critical to ensuring efficient operations, responsible financial management, accurate financial reporting, careful protection of assets, and satisfactory compliance with applicable laws and regulations. Skidmore community members are expected to maintain, support, and comply with internal control structures at the College.
- 13. Gifts, gratuities, and “kickbacks.”** Relationships between Skidmore and its vendors must be free of any taint. Skidmore community members must not personally accept any material gift, gratuity, or other payment, in cash or in kind, from any vendor seeking to do or doing business with Skidmore or with any other entity seeking to establish a relationship with the College.

Note: A “material” gift, gratuity, or other payment (in cash or in kind) is generally defined as being worth more than \$100. Notwithstanding this provision, members of the Skidmore community may accept door prizes, raffle items, and similar gifts offered by vendors in connection with any “Vendor Fair” sponsored by the College.
- 14. Obligation to report suspected material violations.** Members of the Skidmore community are expected to report suspected material violations of these Standards, of laws and regulations, or of related College policies and procedures. An individual is expected to report suspected material violations to his or her department chair, program director, immediate supervisor, the Dean or Vice President responsible for the individual’s area, the Vice President for Finance & Administration and Treasurer, the President of the College, or the Chair of the Board of Trustees, depending upon the nature of the violation. Individuals charged with supervising others at the College must ensure that supervisees have received adequate training with respect to their obligations and are meeting their obligations under these Standards. Appropriate College officials are expected to take disciplinary action to address noncompliance. An individual shall not be disciplined or otherwise penalized for reporting, in good faith, an allegation that these standards have been violated.

15. Confidential reporting of concerns. Community members may submit good faith, confidential reports concerning possible improper conduct or violations of Skidmore policies to 1-888-828-7002 or www.skidmore.ethicspoint.com. (See Attachment C: Skidmore's Whistleblower Policy.)

Confidential reports may also be made, in good faith, to the appropriate federal agency or other external body with responsibility for overseeing a particular grant, research agreement, or other obligation.

16. Consequences of violation. Violations of these Standards, of laws and regulations, or of related College policies and procedures may result in disciplinary consequences, up to and including dismissal from the College.

17. Further guidance on this policy. Individuals with questions about the meaning or applicability of this policy, about the propriety of a proposed course of action, or about their work-related legal or other obligations should seek advice. Individuals who could provide advice include the individual's immediate supervisor, department chair, program director, Dean of the Faculty/Vice President for Academic Affairs, the Office of the Vice President for Finance & Administration and Treasurer, or other appropriate College official.

Questions regarding the recording, allocating, and charging of costs and effort associated with grants and other external funding should be directed to the Office of Sponsored Research or to the Office of the Vice President for Finance and Administration.

Skidmore College is grateful to Yale University for its leadership in developing a guideline for the Standards of Business Conduct, upon which this statement is based and used with permission.

ATTACHMENT A

SKIDMORE COLLEGE CONFLICT OF INTEREST POLICY

I. PRINCIPLES

Skidmore College is committed to the highest standards of excellence and integrity in carrying out its educational mission. Consistent with that commitment, each member of the Skidmore community is obligated to conduct the affairs of the College in the best interest of the College and in furtherance of the College's mission, and must not permit outside activities or outside financial interests to interfere with those obligations.

As part of its commitment to excellence, the College expects its faculty to be active in the profession and encourages faculty members to seek and participate in sponsored research, to consult and lecture externally, to engage in artistic performance, and to engage in other activities that may benefit not only the participants but also Skidmore students, the College itself, and the larger public. Similarly, non-faculty employees may consult or engage in other outside activities in ways that benefit themselves as well as the College and the public-at-large. Skidmore recognizes the benefit of such activities and is committed to ensuring that such activities are conducted properly, in accordance with the principles of integrity, openness, trust, and free inquiry that are fundamental to the autonomy and well-being of the College and in accordance with the responsible management of the College's business.

For purposes of this policy, the following definitions apply:

“Skidmore community” or “campus community” includes members of the Board of Trustees and all College employees (including the President, President’s Cabinet, faculty members, and staff members).¹

“Family” includes the community member’s spouse or domestic partner, and the dependent children of either.

“Related Person” means an individual so linked or associated with a community member that a reasonable person would believe that the community member’s judgment about or conduct in his or her Skidmore responsibilities could be or appear to be influenced or affected.

When Skidmore community members engage in activities external to the College, the interests and commitments of the various parties may not necessarily coincide and may become complex; occasionally, these interests may conflict with and have the potential to compromise the College's mission and the atmosphere of free inquiry that Skidmore

¹ Students engaged in research may be required to disclose research-related activity as set forth in Section III.A.2.c. Expectations for behavior of students in general are set forth in the *Student Handbook* (including the Skidmore Honor Code).

considers vital. It is sometimes difficult to recognize the possibility for conflicts between the responsibilities of an individual to Skidmore and to external organizations. Under these conditions, the possibility of a perceived or real conflict of interest is significantly heightened.¹

In pursuit of its own mission, and consistent with the requirements of external agencies, particularly the federal government, Skidmore College has formulated the following policy to identify and address potential, actual, and apparent conflicts of interest. This policy is intended to increase the awareness of all members of the Skidmore College community to the potential for conflicts of interest and to establish procedures whereby such conflicts may be avoided or resolved appropriately.

II. CONFLICT OF INTEREST DEFINED

A. Recognizing a Conflict of Interest

Typically, a conflict of interest has the potential to arise when an individual has the opportunity to influence the College's business, administrative, academic, or other decisions in ways that could lead to personal gain or advantage of any kind. Such a conflict may exist if a Skidmore community member (or a member of the community member's Family or a Related Person) has an external financial interest or fiduciary or other legal obligation that reasonably could be seen as creating an incentive for the individual to modify the conduct of his or her College activities or to influence the conduct of others. Conflicts of interest may arise from stock ownership, board memberships, consulting relationships, and any activity from which the individual derives legal obligations or expects to receive pecuniary or non-pecuniary benefits from an entity outside the College.

Conflicts of interest may arise from many ordinary and appropriate activities, and the existence of a conflict does not necessarily imply wrongdoing on anyone's part. Individuals should be cognizant of the potential for conflicts of interest; when conflicts do arise, they must be identified, disclosed, and either eliminated or resolved appropriately. Some relationships may create an appearance of conflict; those, too, should be identified, disclosed, and resolved or eliminated so that the College maintains public confidence in the integrity of its activities.

B. The Appearance of Conflict of Interest

There are certain cases in which the appearance of conflict of interest is present even when no conflict actually exists. Such apparent conflicts have the potential to do almost as much damage as actual conflicts, undermining the credibility of scholarship and

¹ Engaging in external activities also creates the possibility for conflicts of commitment – i.e., external commitments that interfere with an individual's responsibilities to Skidmore College. The College's expectations regarding conflicts of commitment are set forth in the Skidmore College Conflict of Commitment Policy (see Attachment B).

research as well as College financial decisions and calling into question the integrity of an individual or the College or both. For this reason, it is important for an individual, in evaluating a potential conflict of interest, to consider how others might perceive it. Apparent conflicts must be recognized and avoided.

C. Examples of Activities Not Requiring Disclosure and of Potential Conflicts of Interest

Examples of activities not requiring disclosure and of activities that suggest a potential conflict of interest appear at the end of this policy.

III. PROCEDURES FOR DISCLOSING AND RESOLVING CONFLICTS OF INTEREST

The responsibility for avoiding conflicts of interest rests, in the first instance, with the individual. An essential step in addressing an actual or apparent conflict of interest is for the individual involved to make full disclosure of relevant information to the appropriate supervisor or administrator. As described in greater detail below, certain individuals are required to make regular, annual disclosures, with updates as needed; others need only disclose on an ad hoc basis. When a disclosure is received, the appropriate individual(s) will review it and, in consultation with the individual making the disclosure, determine what, if anything, should be done to avoid or resolve appropriately any conflict.

A. Disclosures

1. Required annual disclosures
 - a. Members of the College's Board of Trustees (including the President) are fiduciaries and owe special duties of care and loyalty to the institution as a whole and must keep the College's interests paramount to all others. Trustees are required to submit the Conflict of Interest Disclosure Form on an annual basis. The Vice President for Finance & Administration and Treasurer shall be responsible for administering the annual review of Trustee conflict of interest disclosures and, in consultation with the Trustee Audit Committee and a Trustee making a disclosure, is responsible for eliminating or resolving conflicts as necessary.
 - b. Members of the Cabinet are required annually to submit the Conflict of Interest Disclosure Form. The Office of the President is responsible for administering the annual review of Cabinet member conflict of interest disclosures and, in consultation with a Cabinet member making a disclosure, for eliminating or resolving conflicts as necessary.
 - c. Other administrators designated by the President or a Cabinet member also are required annually to submit the Conflict of Interest Disclosure Form. The

President, appropriate Cabinet member, or designee is responsible for administering the conflict of interest review for such individuals and, in consultation with an individual making a disclosure, for eliminating or resolving conflicts as necessary.

- d. Individuals in one or more of the following categories must submit annually a Conflict of Interest Disclosure Form to the Dean of the Faculty/Vice President for Academic Affairs:
 - i. All faculty members serving as department chairs or program directors.
 - ii. All faculty members and non-faculty personnel who are responsible for or who could materially influence the design, conduct, or reporting of externally funded research.

The Dean of the Faculty/Vice President for Academic Affairs is responsible for administering the conflict of interest review for such individuals and, in consultation with an individual making a disclosure, for eliminating or resolving conflicts as necessary.

2. Required disclosures other than in annual disclosure process
 - a. Anyone who has an actual or apparent conflict as defined in this policy and has not previously completed an annual disclosure form must complete a form at the time the actual or apparent conflict arises.
 - b. Material change from annual disclosure. Whenever significant financial interests, external activities, or internal responsibilities change materially from those described in the annual disclosure, the disclosure must be updated as soon as possible in writing. Updates should be submitted according to the same procedure as the annual disclosures, described above. Whenever possible, individuals should attempt to disclose expected changes or newly anticipated conflicts before they occur, and should seek advice on the restrictions that may result from any anticipated new significant financial interest before accepting such a financial interest. Whenever an application for funding of a new research project is submitted, the investigator will be required to certify that he or she has submitted a complete and accurate conflict of interest disclosure, and that any interests, activities, or responsibilities that have been reported do not present the potential for any actual or apparent conflicts of interest with respect to the conduct of the new research project.
 - c. Non-faculty employees (other than Cabinet members and other designated administrators as described above) and students are not required to submit annual disclosure forms unless they are responsible for or could materially influence the design, conduct, or reporting of externally funded research. They

are required, however, on an ad hoc basis, to disclose actual or apparent conflicts of interest relating generally to any grant, contract, or other agreement in the College extramural research portfolio, College financial decisions, and other matters whenever they arise. If there is any doubt about the existence of an actual or apparent conflict of interest, the individual should submit a disclosure form for review by the appropriate supervisor or administrator.

3. Individuals receiving grants from external sources must comply with all disclosure requirements of the granting agency.

The confidentiality of the disclosures will be respected as far as possible. In particular, the information on the forms will not be shared except with those who have a need to know.

B. Reviewing and Resolving Conflicts of Interest

In the event that there are unresolved disagreements between a Skidmore community member and the responsible reviewing Cabinet member concerning the application of this policy, such disagreements shall be referred for final resolution to the President.

The Cabinet member and the disclosing individual each will submit a written summary of the issues and relevant facts to the President for review and consideration. The President may request meetings with relevant individuals and may review additional materials necessary to understand the potential conflict. Such materials may include, but are not limited to, appropriate financial information, grant applications, human or animal protocols, or other relevant material.

The President's review will result in one of two determinations: (1) that no material conflict of interest exists and that no further action is necessary; or (2) that a material conflict of interest does exist. If the President determines that a material conflict of interest exists, the President will determine what steps are appropriate to eliminate or resolve the conflict.

The President will provide written notification of his or her decision to the reviewing Cabinet member and the individual. The President will make every reasonable effort to resolve matters referred under this section within 60 days of a referral. The President's decision is final.

In the rare event that exigent circumstances require clarification of the conflict situation before the President is able to fully deliberate and make a final decision, the President may implement interim measures. Such measures might include, but are not limited to, notification to funding sponsors in accordance with sponsor rules or regulations, suspension of research activities, and/or suspension of the use of grant funds.

CONSEQUENCES OF VIOLATION

Violations of this policy may result in disciplinary consequences, up to and including dismissal of the College, in accordance with *Faculty Handbook*, the *Exempt and Non-Exempt Employee Handbook*, and other employee contracts.

EXAMPLES: ACTIVITIES NOT REQUIRING DISCLOSURE AND POTENTIAL CONFLICTS OF INTEREST

The following examples are intended to be illustrative and are not exhaustive.

Examples of Activities Not Requiring Disclosure

The following activities do not require disclosure as an actual or apparent conflict of interest under the terms of this policy¹:

1. Receiving honoraria, stipends, or royalties for published scholarly works and other writing, creative works, lectures, or presentations.
2. Participating in professional conferences for the purposes of making scholarly presentations or conducting seminars or workshops.
3. Receiving honoraria for service as a special reviewer or on a review panel for academic, governmental, or not-for-profit organizations.
4. Receiving royalties under the College's or another academic institution's royalty distribution policies.
5. Preparing books, articles, software, or creative works relevant to College duties.
6. Earning income from passive investments such as interest or dividends from banks, mutual funds, or stocks and bonds.
7. Receiving salary or consulting fees in an amount not to exceed \$5,000 per year for services provided to an outside entity or organization, unless payment from such person(s) or entity(ies) would result in an actual or apparent conflict of interest.

Examples of Potential Conflicts of Interest Requiring Disclosure and Resolution

Since conflicts of interest are sometimes difficult to recognize, Skidmore community members are expected to discuss potential conflicts of interest with the appropriate department chair, program director, supervisor, or Dean or Vice President. Examples of

¹ Activities not requiring disclosure under the terms of this Conflict of Interest Policy could constitute a conflict of commitment if they interfere with an individual's responsibilities to the College. See Skidmore College Standards of Business Conduct Policy paragraph 5 (Conflicts of Commitment) and the College's Conflict of Commitment Policy.

potential conflicts of interest that must be disclosed and either eliminated or resolved appropriately include but are not limited to the following:

1. Using College resources to conduct research that is sponsored by an entity in which the individual, his or her Family members, or a Related Person holds a material financial interest.
2. Serving in an executive or managerial capacity or holding a material financial interest in for-profit or not-for-profit entities doing business with the College.
3. Serving on the board of directors or a major advisory committee of an external entity that sponsors an individual's research or provides gift funds for the use of the individual or his or her department or program.
4. Engaging College community members in consulting activities, activities supported by gift funds, or research sponsored by an entity in which the individual has a financial interest.
5. Conducting testing of products, devices, or services owned or controlled by a business in which the individual, an individual's Family member, or a Related Person has a financial interest or received remuneration.
6. Diverting research opportunities from the College to another academic institution, governmental laboratory, business, or consulting entity.
7. Directing purchasing opportunities to a family-owned company or an associated entity.
8. While acting in the context of his or her College duties, making professional referrals to a business in which an individual, an individual's Family member, or a Related Person has a financial interest.
9. Conducting business activities involving students or members of the College's faculty or staff.

ATTACHMENT B

SKIDMORE COLLEGE CONFLICT OF COMMITMENT POLICY

Skidmore College is committed to excellence both within and beyond the Skidmore community. As part of that commitment, the College expects its faculty to be active in the profession and encourages faculty members to seek and participate in sponsored research, to consult and lecture externally, to engage in artistic performance, and to engage in other activities that may benefit not only the participants but also Skidmore students, the College itself, and the larger public. Similarly, non-faculty employees may consult or engage in other outside activities in ways that benefit themselves as well as the College and the public-at-large.

Notwithstanding the benefit of such activities, all Skidmore employees are expected to fulfill their responsibilities to the College. A conflict of commitment occurs when a Skidmore employee undertakes external commitments that interfere with the individual's performance of his or her College responsibilities.

Any Skidmore employee considering external activities must consider in advance whether such activities might interfere with the performance of his or her College duties and thus create a conflict of commitment. Skidmore employees are expected to discuss potential conflicts of commitment with their department chairperson, program director, Dean of the Faculty/Vice President for Academic Affairs, supervisor, or other College official as appropriate. If the external activities appear to conflict with the individual's duties, the appropriate dean, supervisor, or other College official may ask the individual to modify the activities or to otherwise manage the activities so that the individual's responsibilities to the College may be fulfilled. In some cases, it will be prudent for the individual and the dean, supervisor, or other College official, in consultation with the department or unit, to negotiate an agreement concerning the scope of external activities and confirm that agreement in writing.

Consequences of violation

Violations of this policy may result in disciplinary consequences, up to and including dismissal from the College, in accordance with *Faculty Handbook*, the *Exempt and Non-Exempt Employee Handbook*, and other employee contracts.